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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Supplemental Memorandum of Understanding with OPM

FROM: [redacted] **EXTENSION** **NO.** STAT

DATE 28 March 1988

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. [redacted] Office of Finance 615 Key				Attached is a copy of the latest draft of the financial MOU with OPM. Please note the changes. A copy has been sent to OGC for their review. STAT If you have any additional comments please let me know no later than 1 April.
2.				
3. [redacted] Compensation Division 616 Key				
4.				
5. [redacted] Retirement Division 906 Ames				
6.				
7. [redacted] Comptroller's Office 7C36 HQS				
8.				
9. [redacted] Central Cover Staff 6B00 HQS				
10.				
11 [redacted]				
12.				
13.				
14.				
15.				

FORM 1-79 **610** USE PREVIOUS EDITIONS

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SUPPLEMENTAL MEMORANDUM OF UNDERSTANDING
Financial Aspects of Retirement Administration

I. Purpose

The purpose of this supplemental memorandum is to summarize the understandings between the Office of Personnel Management and the Central Intelligence Agency with respect to financial aspects of CIA administration of retirement matters under the provisions of the Federal Employees' Retirement Act of 1986. This Memorandum supplements the Basic Memorandum of Understanding, dated February 18, 1988, and is to be considered one of the supplemental memoranda cited in paragraph IV 3 thereof.

II. Specific Responsibilities/Procedures (Keyed to the Applicable Subparagraphs of 5 U.S.C. 8347 and 8461)

a. 5 U.S.C. 8347(n)(1)(B) and 8461(j)(1)(B)

The CIA will establish and maintain financial accountability over all retirement deductions, prior service deposits, and redeposits associated with the service of employees for which retirement benefits are to be determined by the CIA. This will include records and funds relating to service with other agencies, transferred by OPM to the CIA in anticipation of retirement from the CIA. The transfer of records and funds will be in a matter necessary to protect the identities of CIA employees and in a format agreeable to OPM and CIA.

b. 5 U.S.C. 8347(n)(1)(D) and 8461(j)(1)(D)

The CIA will compute and collect deposits or redeposits for eligible prior military and civilian service in accordance with OPM guideline. Such deposits and redeposits will be remitted to OPM periodically in summary in a format agreeable to OPM.

c. 5 U.S.C. 8347(n)(1)(E) and 8461(j)(1)(E)

The CIA will adjudicate and make disbursements for all categories of entitlements for the functions assumed and considered appropriate by the Director of Central Intelligence. Disbursements will be financed with CIA funds with prompt reimbursements to be provided by the Office of Personnel Management (via the OPAC mechanism when it is established by the Agency) from the Civil Service Retirement and Disability Fund. All such disbursements will be subject to the same approval, certification, and control mechanisms as are used by the CIA for disbursement of the funds of any other Government agency for which the CIA becomes accountable. All claims for reimbursement will be documented in summary for each detail category for which OPM records disbursements from the Fund. The documentation for such claims will be in a format agreeable to OPM.

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d. 5 U.S.C. 8347(n)(1)(F) and 8461(j)(1)(F)

(1) The CIA will use OPM-provided Employee Identification Numbers for reporting taxable payments and Federal and State Income Tax Withholdings to the Internal Revenue Service and State of residence for the annuitant for all entitlements paid by the CIA which are chargeable to the Fund. The CIA will be responsible for answering all correspondence on such reporting directly with the IRS or with the annuitants.

(2) The CIA will establish appropriate post office box addresses, which will be provided to CIA annuitants paid under the above EIN, for use in verifying annuity payments for credit or other purposes, as required. Should any inquiries be received directly by OPM for an individual who is identified as being administered by the CIA, OPM will forward the inquiry to the CIA for response.

(3) The CIA will waive recovery of payment it makes from the Fund, consistent with the guidelines established in 5 U.S.C. 8346(b) and 8470(b).

e. 5 U.S.C. 8347(n)(2)(B) and 8461(m)(2)

In a manner consistent with the DCI's responsibility to protect identities, intelligence sources, methods, activities, and sensitive intelligence data, the CIA will make its records of disbursements chargeable to the Fund available for audit and inspection by OPM personnel who have appropriate program responsibilities and security clearances.

Approved for the Office of Personnel Management this ____ day of _____ 1988.

_____

_____, Office of Personnel Management

Approved for the Central Intelligence Agency this ____ day of _____ 1988.

_____

Director of Personnel, Central Intelligence Agency

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